SALTWATER FISHING CHARTERS IN BC — AN ECONOMIC PROFILE

Prepared for:

Economic Development Branch
BC Ministry of Sustainable Resource Management

With the Generous Support of:

Skeena Region (MSRM)

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October 2003

104-05745/

BUILDING BLOCKS FOR ECONOMIC DEVELOPMENT & ANALYSIS

PREFACE

PURPOSE

Building Blocks have been conceived and developed by the Economic Development Branch of the Ministry of Sustainable Resource Management, under the guidance of Nancy South, Manager Economic Analysis, as an analytical tool that supports British Columbia coastal and land and resource use planning and decision-making and economic development initiatives. The Blocks contain concise business and sector information for a broad range of resource-based business types in BC. At this point, there are more than 30 Blocks either complete or in draft form. Several more Blocks have been identified as high priority by planning tables and other client groups. Additional Building Blocks will be developed over time, and some Blocks may be updated. For the most current Building Blocks, please see the Ministry of Sustainable Resource Management website, at: http://srmwww.gov.bc.ca/rmd/ecdev/

ACKNOWLEDGEMENTS

Generous support in terms of both funding and staff time has been provided by the Ministries of Energy and Mines; Water, Land and Air Protection; Agriculture, Food and Fish; and Forests, as well as by Skeena and Coast Regions of the Ministry of Sustainable Resource Management.

BENEFITS

Building Blocks are expected to provide the following general benefits:

- Increase efficiency and more informed decision-making by providing readily accessible, credible information to planning and economic development processes;
- Improve the consistency of economic information across planning areas;
- Support economic analysis and decision-making that occurs outside formal coastal and land use planning processes; and
- Provide linkages between economic analysis and other social and environmental analytical tools (through identifying resource requirements to support economic activities and general compatibilities with other sectors and values).

LIMITATIONS

Every effort has been made to ensure that the information contained in Building Blocks is accurate and consistent. Approved, credible data sources are the foundation for Building Blocks. All Blocks were reviewed by sponsoring agencies and other experts. However, users are cautioned that information is used at their own risk, and that the authors and sponsors are not liable for any damages. Any conclusions or interpretations by the authors are not intended to represent government policy. Also, note that Building Blocks do not provide site specific information nor do they consider requirements for sustainability (social, community, environmental).

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RECOMMENDED REFERENCE/CITATION

BC Ministry of Sustainable Resource Management, 2003, Building Blocks for Economic Development and Analysis, *[Title of Sector]*. http://srmwww.gov.bc.ca/rmd/ecdev/

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1.0 EXHIBIT 1: SALTWATER FISHING CHARTERS IN BC 2002 — A PRELIMINARY SECTOR OVERVIEW

1.1 Overview

- 500 saltwater fishing charter businesses, a 50% decline from 1994.
- in 2002, business volumes were an estimated 100,000 charter client-days.
- Majority of businesses are small, often a one-person operation.
- Most businesses are seasonal.

1.2 Resources

- Charter businesses occur throughout coastal BC.
- Salmon (especially chinook), halibut, and rockfish are the main species of interest.

1.3 Products

- Angling is a form of outdoor recreational activity.
- The quality of the angling experience is affected by fish availability, fishing success rates and several non-fish related factors such as the environmental setting, congestion, and camaraderie with other anglers.
- Three components to the experience can be identified:
  - Catching fish – regardless of whether the fish is harvested or kept,
  - Harvesting fish – for those anglers who are allowed to choose to do so,
  - Aesthetic experience – derived from the natural environment.
- In view of these distinct components, angling activity is measured in "angler days" defined as one angler fishing for any part of a single day.
- Three broad types of angling experiences exist:
  - lodges – typically offer all-inclusive packages comprising accommodation, meals, boat and fuel, fishing equipment, and sometimes a fishing guide who navigates and assists in catching fish. Lodge packages are often three to five days in duration,
  - charters – are angling packages that include boat, equipment, and guide, but no accommodation or meals. Charter packages generally last for one day or a half-day. There are however charter operations that in concert with accommodation facilities offer two to five day packages,
  - independent anglers – are responsible for their own fishing gear, boat and fuel, accommodation, meals, and transportation.
- In 2002, there were 100,000 charter angler days or 5% of the total 2.1 million angler-days.
- A growing number of anglers are fishing from shore or practising "catch and release" angling.

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1.4 Markets

- Primarily a domestic market with half of angling clients from BC:
  - 50% BC,
  - 19% Rest of Canada,
  - 31% outside Canada.
- Corporate groups are an important market segment.
- Angling markets are very competitive; repeat business is key to viability and growth.
- Many marketing tools: "word of mouth," websites, brochures, BC Accommodation Guide, magazine advertising, direct contact, consumer shows.

1.5 Regulatory Regime

- Saltwater charters do not need an explicit licence to serve anglers (apart from a normal business licence).
- Canada Department of Fisheries and Oceans (DFO) has responsibility for licensing and regulation of saltwater angling in BC.
- All anglers must be licensed, pay fees, and observe catch limits (daily, possession, and in some cases annual), seasons, fishing area and gear, and other restrictions.
- anglers 16 years and older pay licence fees (including GST) of:

	Residents of Canada	Non-Residents
Annual	$22.47	108.07
1 day	5.62	7.49
3 day	11.77	20.33
5 day	17.12	34.17

- A Salmon Conservation Stamp ($6.42 including GST) must be affixed to licences held by anglers wishing to retain salmon.
- Only barbless hooks can be used when fishing for salmon.
- Chinook limits are 2 daily, 4 possession, and an annual possession limit varying from 15 to 30 depending on the area. The combined catch limit of all salmon is 4 daily, 8 possession. Coho restrictions apply to many areas, e.g., retention only of hatchery fin-clipped coho.
- Halibut limits coastwide are 2 daily, 3 possession.
- There are special rockfish protection areas and limits.
- In 1999, DFO gave the recreational sector priority access over the commercial sector to chinook and coho salmon and gave the commercial sector priority access to sockeye, pink, and chum salmon.

1.6 Capacity for Growth

- Potential growth areas include: fly fishing experiences, experiences catering to women and family groups, high alpine fishing, experiences combining fishing and non-fishing activities (e.g. nature observation, adventure travel, golfing).

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1.7 Government Revenues

- Direct Provincial government revenues are minimal:
  - zero licence cost to operate (there are no saltwater charter/guide licences or fees),
  - other fees/taxes include leases, permits, property taxes.

1.8 Input Output Impacts

- Approximate distribution of purchases and factor inputs of share of guide and lodge/camp/resort revenues:

33%	labour
41%	purchased inputs
1%	provincial, local government taxes/fees
25%	interest, depreciation, before tax profits
100%	

- Indirect (supplier-related) and induced (consumer spending) impacts add 50% to 100% to employment impacts above.

2.0 EXHIBIT 2: THE SALTWATER FISHING CHARTER INDUSTRY IN BC 2002 – A PRELIMINARY ECONOMIC PROFILE

	Total Industry 2002	2002 Industry Ratios per	
		Operation	Angler-Day
Operations			
Charter Businesses	500	1.00	0.005
Angler Client Days	100,000	200	1.00
Revenues	$30 million	$60,000	$300
Employment & Wages			
Positions/Jobs	750	1.5	0.008
Person-Years	300	0.6	0.003
Wages & Salaries	$10 million	$20,000	$100
Investment	$60 million	$120,000	$600
Government Revenues			
Leases, Permits, Property Taxes	$0.3 million	$600	$3

Source: GSGislason & Associates Ltd. estimates.

Note: 1. The $30 million revenue figure is included in the estimated $550 million expenditures spent by all saltwater anglers in BC in 2002.(All revenue figures include GST).

2. Fishing charter clients are estimated to spend another $21 million on accommodation, meals, travel, gear, etc. that do not flow to the fishing charter businesses.

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